

Central Boat Rentals
Work Agreement with Gulfport Energy

(12) Pages

Central Boat Rentals, Inc.

"Barge Specialists"

October 19, 2006

Mr. Morgan Turrell
NTSB

Dear Mr. Morgan:

Central Boat Rentals, Inc. is an inland and coastal marine transportation company. The company owns and operates 32 tugs and 159 barges. The company was incorporated in 1967. Central Boat Rentals, Inc. provides services for companies such as Shell, British Petroleum, Burlington Resources, Conoco Phillips, McMoran Exploration and Halliburton. We also do work for smaller companies such as Gulfport Energy and ADTI.

We often work under a Master Service Agreement. The agreements allocate responsibilities between the parties when incidents occur. I have enclosed a copy of our work agreement with Gulfport Energy.

Central Boat Rentals, Inc. and its subsidiaries' employs one hundred seventy-two employees (172). One hundred thirty-seven (137) of those employees are seaman.

If any additional information is needed, please call me at 985-384-8200.

Sincerely,

Central Boat Rentals, Inc.



Michael Patterson
Vice President

BLANKET TIME CHARTER

This Charter is made and entered into this 11 day of Oct. 2005, by and between Central Boat Rentals, Inc. (hereinafter called "OWNER"), and Gulfport Energy Corporation, (hereinafter called "CHARTERER").

Gulfport

WITNESSETH:

WHEREAS, OWNER, is the owner and/or operator of various tugs, pushboats and other powered vessels (hereinafter sometimes referred to as "vessel" or "vessels"), which vessels are suitably equipped for CHARTERER's activities in the mineral and oil industry.

WHEREAS, CHARTERER may from time to time desire to time charter one or more of said vessels for the purpose of performing such marine services in support of CHARTERER's operations.

NOW, THEREFORE, for and in consideration of the premises and mutual promises and agreements herein contained, OWNER agrees to time charter and CHARTERER agrees to hire such of OWNER's vessels as OWNER and CHARTERER shall designate subject to the following terms and conditions:

I.

CHARTERER shall designate the vessel or vessels it desires from time to time to hire by notifying OWNER of the particular vessel CHARTERER desires to hire and by specifying the date that CHARTERER desires the vessel to be delivered. If OWNER has such a vessel available and if the parties reach agreement on the details particular to that vessel's charter (such as rate of hire), the vessel will be delivered to CHARTERER in accordance herewith. As soon thereafter as is practicable, OWNER shall mail to CHARTERER a letter on a form substantially identical to the form attached hereto as Exhibit "A", which letter shall confirm the details of the charter of the said vessel as between the parties. Even if OWNER shall fail to send such letter or CHARTERER fails to acknowledge such letter, this Charter and the verbally agreed details shall apply to any vessel delivered to CHARTERER by OWNER in the absence of a separate charter covering such vessel.

II.

It is understood that OWNER is under no obligation to let any of its vessels and that CHARTERER is under no obligation to hire any of OWNER's vessels except that which CHARTERER may request or ask for during the term hereof; it being the intent of the parties hereto that this is a nonexclusive vessel rental contract, and that no vessel shall be considered let or hired until same is delivered by OWNER to CHARTERER pursuant to mutual agreement.

III.

The vessel shall be delivered to CHARTERER at the port previously agreed upon with clear decks and being on her delivery properly equipped and in every respect seaworthy and in good running order and in every way fit and ready for CHARTERER's use and for the employment intended, so far as the exercise of due diligence can make her; and OWNER undertakes to so maintain the vessel during the period of service under this Charter.

OWNER may at any time substitute a suitable replacement vessel, provided such substituted vessel is acceptable to CHARTERER.

The vessel (unless lost) shall, at the termination of each individual charter hereunder, be redelivered to OWNER at the same port at which it was accepted by CHARTERER (unless a different port of redelivery is agreed upon).

Throughout the term hereof, OWNER shall maintain in full force and effect on the vessel any required United States Coast Guard documents and Inspection Certificates, together with any other documents required of the vessel.

IV.

For the use of said vessel, CHARTERER shall pay OWNER at the rate previously agreed upon for each day or each part of a day, beginning on the day said vessel is delivered to CHARTERER and ending on the day the vessel is redelivered to OWNER. OWNER shall bill CHARTERER at 14313 N. May Ave., Ste. 100, OKC, OK 73134 at the end of each calendar month and CHARTERER shall pay OWNER within thirty (30) days after expiration of each billing period. Payment shall continue until the day the vessel is redelivered to OWNER. If the vessel is lost, payment shall be made up to and including the date of her loss. Payment shall be made to OWNER, at P. O. Box 2545, Morgan City, Louisiana 70381, or elsewhere as designated. CHARTERER shall pay one and one-half percent (1½%) interest per month on all receivables due and payable to OWNER in arrears sixty (60) days or more after the date of OWNER's invoices.

Should CHARTERER contest the amount of any invoice, it shall, within twenty (20) days from invoice receipt, notify OWNER of the contested amount and specify the reason(s) therefor, whereupon payment of the contested amount will be suspended until settlement of the dispute. The uncontested amount shall, however, be paid within the term set forth hereinabove.

V.

The vessel shall be used for the lawful movement of materials and personnel incidental to CHARTERER's operations in exploration for and the production of oil, gas and other minerals. For reasons of safety, the vessel shall not be used for live diving (also known as live boating).

VI.

OWNER shall man, victual, maintain, navigate and supply the vessel at its expense. However, CHARTERER shall provide all fuel, oil, greases, fresh water, waste oil disposal, liquid bulk tank cleaning (for vessels so equipped), tow lines, cordage, chains, binders, dunnage, replacement bulk hoses and replacement wire rope for the vessel at its expense, or CHARTERER may direct OWNER to secure same and reimburse OWNER for the properly documented cost thereof plus a fifteen (15%) percent handling charge. Wharfage, port charges, dockage and safe berths will be provided by CHARTERER at its expense.

VII.

The operation, navigation and management of the vessel shall be under the exclusive control and command of OWNER. Subject always to the right of the master to determine whether a movement may be undertaken, the vessel will be operated, and services herein described will be rendered, at times as requested by CHARTERER. OWNER is an independent contractor and neither it nor its employees nor the master or crew are servants, agents, or employees of CHARTERER, CHARTERER being interested only in the completed performance of the services herein provided.

Notwithstanding anything to the contrary herein, if any operation, voyage, movement, activity or inactivity on the part of OWNER and/or the vessel is insisted upon by CHARTERER or its representative, and undertaken by the master under written protest on account of the opinion of the master that said operation, voyage, movement, activity or inactivity is hazardous and likely to cause loss, damage or expense, or loss of life or personal injury, the responsibility for such loss, damage or expense, or loss of life or personal injury, shall thereupon become and remain solely CHARTERER's. The requirement of written protest shall be satisfied by an entry in the vessel's log immediately after the incident.

The crew will not be required to load or unload cargo or equipment, other than liquid or bulk cargoes.

VIII.

CHARTERER may install additional equipment in connection with its operations, provided that without the written consent of OWNER no structural changes shall be made. All equipment installed by CHARTERER shall remain its property and shall be removed by it before redelivery, and the vessel must be restored to the same condition as it was prior to the installation of equipment or structural change, all at CHARTERER's expense.

IX.

CHARTERER shall not create, incur, or permit any liens to be imposed upon any vessel chartered under this charter.

X.

Should the vessel break down or become inoperative for any cause attributable to the vessel, other than negligence of CHARTERER or for any cause attributable to CHARTERER or due to the nature of CHARTERER's cargoes attached to, laden upon or carried by the vessel, and such condition continues for as long as ~~forty-eight (48)~~ ^{twenty-four (24)} hours in any calendar month (hereinafter referred to as "Compensable Downtime"), the vessel's agreed rate of hire shall cease for the time thereby lost in excess of said Compensable Downtime.

Should there be any unused Compensable Downtime from previous month(s), such time shall be accrued by OWNER and applied to the current month, or used for regular dry-docking and maintenance, but such Compensable Downtime shall not exceed a cumulative total of twelve (12) days at any one time. In addition to said Compensable Downtime, OWNER shall be entitled to perform or have performed repairs or maintenance on the vessel without reduction of charter hire, provided that such repairs or maintenance do not interfere with CHARTERER's operations.

OWNER's liability to CHARTERER as a result of the vessel breaking down or becoming inoperative shall be limited to the interruption of charter hire as set forth above, and OWNER shall not be responsible for any resulting consequential or special damages, including, without limitation, loss of profit or loss of use.

XI.

OWNER shall during the term hereof procure and maintain in effect the following insurance:

- (i) Hull and Machinery Insurance in the amount set forth in the letter agreement contemplated herein, which is agreed to be the market value of the vessel, on the American Institute Hull Clauses June 2, 1977 Form, or equivalent, including Collision/Towers Liability, with navigation limits adequate for the vessel's trade.
- (ii) Protection and Indemnity Insurance covering the liabilities of OWNER in the amount of \$20,000,000.00 on the Ocean P & I Clauses SP-23 Form or equivalent, and including \$5,000,000 excess crew coverage, but excluding Cargo Liability and those risks, if any, assumed or insured by CHARTERER in this Charter.

^{insured} The policies shall include CHARTERER in its capacity as time charterer of the vessel as an additional ~~insured~~ and shall contain a waiver of subrogation in favor of CHARTERER with respect to the operations of OWNER, but such naming and waiving shall apply only to the extent of the risks for which OWNER has agreed in this Charter to protect, defend, indemnify and hold harmless CHARTERER. The policies shall contain a provision requiring fourteen (14) days notice to CHARTERER from insurers prior to cancellation or substantial modification of such policies. CHARTERER shall be provided proper evidence of

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such insurance upon its request.

XII.

CHARTERER shall pay or reimburse OWNER for all permits, clearance expenses, customs fees, duties (import or otherwise), pilotage fees, agency fees and related costs which result from CHARTERER's use of the vessel or from the cargo carried for CHARTERER. CHARTERER shall also pay all taxes applicable to CHARTERER or to the operation or use of the vessel, but each party shall be responsible for its own income taxes.

XIII.

In consideration of the charter hire, neither OWNER, the vessel, its operator, master, crew, nor their respective underwriters shall have any liability whatsoever to whomsoever for loss, damage or expense to cargoes and/or equipment attached to, laden upon or carried by the vessel and for loss, damage or expense to any equipment or property owned or utilized by CHARTERER or its contractors or subcontractors on the project or job involving the vessel(s) chartered hereunder, whether on the vessel or in the water, howsoever caused, arising or occurring, whether, in whole or in part, through the negligence of OWNER, the company operating the vessel, the registered owner of the vessel, the master or crew, unseaworthiness (pre-existing or not) of the vessel, or otherwise. CHARTERER agrees to release, protect, defend, hold harmless, and indemnify OWNER, the vessel, its operator, the registered owner of the vessel, the master, crew, and their respective underwriters from and against any such loss, damage or expense. If CHARTERER causes any such cargo or equipment to be insured, CHARTERER further agrees to cause OWNER, the vessel, its operator, the registered owner of the vessel, the master, crew, and their respective underwriters to be named as additional assureds and to obtain insertion in such insurance of a waiver of subrogation against OWNER, the vessel, its operator, the registered owner of the vessel, the master, crew, and their respective underwriters.

Whenever CHARTERER has chartered hereunder any vessels equipped with liquid mud tanks, it shall be the obligation of CHARTERER to ensure that all oil contaminated or gas cut drilling fluids or muds loaded aboard the vessel are run through a degasser and properly gas freed; and notwithstanding anything to the contrary contained in this agreement, the responsibility for any injury, death or property damage resulting from the failure to properly gas free such cargoes shall become and remain solely CHARTERER's.

XIV.

In order that all operations contemplated herein can be safely undertaken, especially mooring and anchoring operations, it shall be the obligation of CHARTERER to provide safe berths where the vessel can load and discharge safely afloat, to provide accurate charts and information for areas in which the vessel may have to anchor, and to provide adequate machinery and equipment to handle the loading and unloading of the vessel.

XV.

Neither CHARTERER, its subsidiary and affiliated companies, nor their respective directors, employees and underwriters shall have any liability for damage to or loss of the vessel or OWNER's equipment or for injury to, illness of or death of employees of OWNER or of OWNER's contractors or subcontractors or their employees, however said damage, loss, injury, illness or death arises or occurs, whether, in whole or in part, through the negligence of CHARTERER, its subsidiary and affiliated companies, or their respective directors and employees, unseaworthiness (pre-existing or not) of the vessel or otherwise; and OWNER shall release, protect, defend, indemnify and hold harmless CHARTERER, its subsidiary and affiliated companies, and their respective directors, employees and underwriters from and against any claim, suit, loss, liability, expense, demand, cost or damage as a result of such loss, damage, injury, illness or death.

Neither OWNER, the company operating the vessel, their employees, the vessel, its master and crew, nor their respective underwriters shall have any liability for injury to, illness of or death of employees of CHARTERER or of CHARTERER's contractors or subcontractors or their employees (except OWNER, their employees, and their contractors and subcontractors and the employees thereof), however said injury, illness or death arises or occurs, whether, in whole or in part, through the negligence of OWNER, or their employees, the master and crew, unseaworthiness (pre-existing or not) of the vessel or otherwise. CHARTERER shall protect, defend, indemnify and hold harmless OWNER, their employees, the vessel, the master and the crew thereof, and their respective underwriters from and against all claims, suits, losses, liabilities, demands, costs, damages or expense as a result of such illness, injury or death.

Notwithstanding anything to the contrary contained herein, it is expressly agreed by and between the parties hereto that, regardless of the negligence on the part of any party hereto or the unseaworthiness (pre-existing or not) of any vessel, neither such party shall be liable to the other for any punitive, indirect, incidental, special or consequential damages of any kind or nature (including, but not limited to, loss of profits, loss of use, loss of hire or loss of production); and each party hereby agrees to waive its rights of recourse in this regard against the other party, its affiliated and/or subsidiary companies, their respective vessels and their respective underwriters.

XVI.

If CHARTERER shall fail to perform any of its duties or obligations or shall violate any of the prohibitions imposed upon it under this Charter, or if CHARTERER shall be dissolved or be adjudged a bankrupt or shall have a petition in bankruptcy filed against it, or shall make a general assignment for the benefit of creditors, or if a receiver shall be appointed for CHARTERER, OWNER can give written notice thereof to CHARTERER. If CHARTERER fails to correct the circumstance in question within forty-eight (48) hours of receipt of said written notice, OWNER may, without prejudice to any other rights or claims which it may have under this Charter, withdraw and retake the vessel, wherever the same may be found, without legal process, and for that purpose may enter upon any premises where the vessel may be and take possession thereof. OWNER may bring said vessel to the redelivery point hereinabove

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provided, at the expense of CHARTERER. If CHARTERER fails to turn over possession and make redelivery, CHARTERER shall indemnify and hold OWNER harmless against all cost and expense incurred by OWNER in obtaining possession and making such redelivery.

XVII.

Charter hire is based upon and determined by existing operating costs as of the date of each individual Charter. Should the term of such Charter extend for longer than ninety (90) days and in the event there is an increase in any operating costs, OWNER shall have the right to request an increase in the hire which shall reflect such increased costs. OWNER shall present its request to CHARTERER in writing with proper support attached. If CHARTERER fails to agree to the request within thirty (30) days from date presented, OWNER may cancel such Charter. Any increased charter hire agreed to shall be effective as of the date of OWNER's request.

XVIII.

At CHARTERER's request, OWNER agrees to furnish food and lodging for any personnel, other than crew members of the vessel, at the rates reflected in the letter agreement setting forth the vessel's details of the Charter.

XIX.

All salvage and salvage towage, after payment of out-of-pocket expenses and awards to the master and crew, shall be divided equally between OWNER and CHARTERER.

XX.

This Charter shall not be construed as a personal contract nor shall it deprive OWNER, CHARTERER or the vessel of any right to claim limitation of liability provided by any statute or law of any country having authority or jurisdiction over the vessel. However, OWNER's limitation of liability rights shall not apply to its obligations to CHARTERER under this Charter.

XXI.

Neither party shall be liable for failure to perform any obligation hereunder (except CHARTERER's payment obligations) in the event and to the extent that such performance is prevented or delayed by Acts of God, perils, dangers or accidents of the navigable waters, fire, explosion, stoppage of labor, strikes, lockouts, riots, civil commotions, differences with employees, laws, regulations, orders, acts of the United States or any State, City, Parish or County, or any other governmental authority, arrest or restraint by princes, rulers or people, but CHARTERER's obligation with respect to payment of the daily charter rate shall

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continue during the above periods.

XXII.

This Charter may be terminated by either party on thirty (30) days notice delivered in writing; provided, however, that such cancellation shall not be effective as to any vessel which has been delivered to CHARTERER under the terms hereof until the Charter terms stipulated in such vessel's letter agreement has expired and such vessel is redelivered to OWNER.

Notwithstanding the above, if the vessel suffers actual or constructive total loss, this Charter shall terminate immediately upon such loss, with OWNER to have no rights to further compensation except those sums due or accrued at the time of such loss. If the exact time of loss should be unknown, hire shall be payable only until the time of last communication from or last sighting of the vessel before loss.

XXIII.

This Charter and the letter agreement contemplated herein (Exhibit "A"), including any attachments incorporated therein by reference, shall constitute the entire agreement between the parties for the charter of vessels by OWNER to CHARTERER in the absence of a separate time charter on a specific vessel and the terms and provisions hereof shall ipso facto apply to the charter of any vessel to CHARTERER by OWNER in the absence of any such separate time charter on a specific vessel. The terms and provisions of this Charter shall not, however, be applicable to the charter of any vessel upon which such a separate time charter is executed. No changes, amendments, or variations of the terms and conditions shall be valid or binding on the parties hereto in any respect unless made in writing and signed by both parties hereto.

XXIV.

It is agreed that the terms and provisions of this Charter shall be applicable separately to each and every vessel which OWNER charters to CHARTERER. Further, this Charter shall be subject to all applicable laws, orders, rules, regulations, and requirements of any State or Federal Government or any agency thereof.

XXV.

Subject to obtaining the prior written approval of the other party, which approval shall not be unreasonably withheld, either party may assign this Charter. The assigning party shall have no liability to the other party to the Time Charter for the obligations and liabilities incurred by the assignee of the Time Charter after the effective date of the assignment.

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XXVI.

This Charter shall be construed in accordance with the admiralty and maritime laws of the United States of America.

XXVII.

The provisions of this Charter are separable and severable. If any provision, item or application of this Charter shall be deemed invalid in whole or in part, such invalidity shall not affect other provisions, items or applications of this Charter, which can be given effect without the invalid provision, item, or application.

XXVIII.

OWNER's address for sending notices under this Charter is P. O. Box 2545, Morgan City, Louisiana 70381, and CHARTERER's address for sending notices under this Charter is at 14312 N. May Ave., Ste. 100, OKC, OK 73134. Any notices provided for herein shall be deemed to have been given at the time of mailing when sent by mail addressed to the recipient at the address hereinabove stated.

IN WITNESS WHEREOF, the parties hereto have caused this Charter to be executed by their duly authorized representatives in duplicate originals as of the date first above written.

WITNESSES:

CHARTERER:

By:

Mike Liddell
President & CEO
Title

OWNER:

By:

Michael Patterson
Vice-President

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Central Boat Rentals, Inc.



Attn: _____

Re: Time Charter of M/V _____

Gentlemen:

Pursuant to the terms and conditions of that certain Blanket time Charter dated _____ entered into by and between Central Boat Rentals, Inc. and _____, this letter sets forth our understanding and agreement that the M/V _____, Official Number _____, has been chartered subject to the following:

1. Date of delivery, on or about: _____
2. Location of delivery: _____
3. Location of redelivery: _____
4. Area of Operations/Navigation Limits: _____
5. Minimum term of Charter: _____
6. Cancellation after minimum term by written notice by either party: _____
7. Daily charter rate: _____
8. Insured value of vessel: _____
9. Meals and lodging rates for non crew members: _____
10. Special Provisions: _____

Please date and sign the duplicate copy of this letter in acceptance of the foregoing and return it to us.

Central Boat Rentals, Inc

By: _____

By: _____
Michael Patterson
Vice President

Date: _____

Date: _____